

The Washington City Council met in a regular session on Monday, August 22, 2016 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Virginia Finnerty, Mayor Pro tem; Doug Mercer, Councilmember; Richard Brooks, Councilmember; Larry Beeman; Councilmember and William Pitt, Councilmember. Also present: Bobby Roberson, City Manager; Franz Holscher, City Attorney and Cynthia S. Bennett, City Clerk.

Mayor Hodges called the meeting to order and Councilmember Mercer delivered the invocation.

**APPROVAL OF MINUTES:**

By motion of Councilmember Pitt seconded by Councilmember Brooks, Council approved the minutes of August 8, 2016 as presented.

**APPROVAL/AMENDMENTS TO AGENDA**

Mayor Hodges reviewed the requested amendments to the agenda:

- Remove: Old Business Item A: Approve - Capital Project Reallocation

By motion of Councilmember Mercer, seconded by Councilmember Beeman, Council approved the agenda as amended.

**CONSENT AGENDA:**

By motion of Councilmember Mercer, seconded by Councilmember Brooks, Council approved the consent agenda as presented.

- A. Authorize – Repurchase of Cemetery Lot P-57, Plots 7 & 8, and Lot P-58, Plots 1,2,5, & 6

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, NC  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED by the City Council of the City of Washington, North Carolina:**

Section 1. That following account numbers in the Cemetery Fund appropriations budget be increased or decreased in the amounts shown to provide funds for the repurchase of cemetery Lot P-57, Plots 7 & 8 and Lot P-58, Plots 1, 2, 5, & 6.

39-90-9990-9900	Contingency	\$(394.00)
39-90-4740-4901	Repurchase of Lots	\$ 394.00

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective upon its adoption.  
Adopted this the 22nd day of August, 2016.

**ATTEST:**

**s/Cynthia S. Bennett**  
**City Clerk**

**s/Mac Hodges**  
**Mayor**

- B. Adopt – Resolution fixing date for public hearing on the contiguous annexation of the State Employees Credit Union property

**RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF  
ANNEXATION PURSUANT TO G.S.160A-31**

WHEREAS, a petition requesting annexation of the contiguous area described herein has been received; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, certification by the City Clerk as the sufficiency of the petition has been made;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Washington, North Carolina that:

Section 1. A public hearing on the question of annexation of the contiguous area described herein will be held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, September 12, 2016.

Section 2. The area proposed for annexation is described as follows:  
Being 5.46 acres of land noted on the site plan "State Employees Credit Union" by Gaskins Land Surveying dated December 12, 2015 and being located in Washington, NC, Beaufort County North Carolina and being

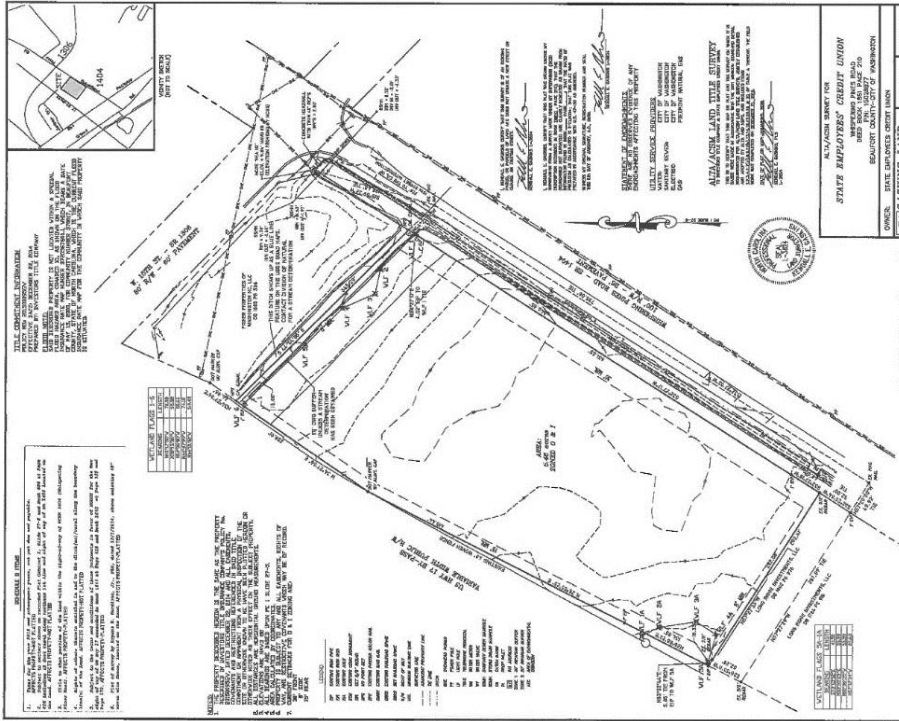
more particularly described as follows; {See Attached Map} Together with and subject to covenants, easements and restrictions of record. Said property to be annexed contains 5.46 acres.

Section 3. Notice of the public hearing shall be published once in the Washington Daily News, a newspaper having general circulation in the City of Washington, at least ten (10) days prior to the date of the public hearing.

ATTEST:

s/Cynthia S. Bennett  
City Clerk

s/Mac Hodges  
Mayor

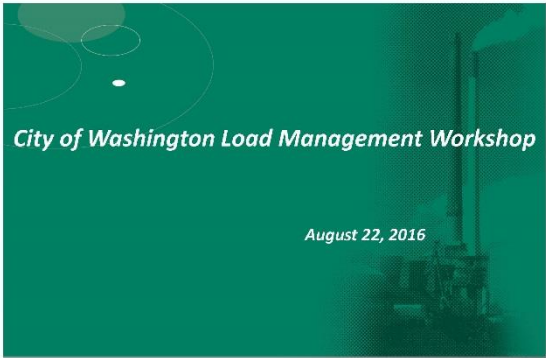


COMMENTS FROM THE PUBLIC: NONE

PUBLIC HEARING 6:00PM– ZONING: NONE

PUBLIC HEARING 6:00PM – OTHER: NONE

SCHEDULED PUBLIC APPEARANCES:  
JASON THIGPEN – ELECTRICITIES LOAD MANAGEMENT

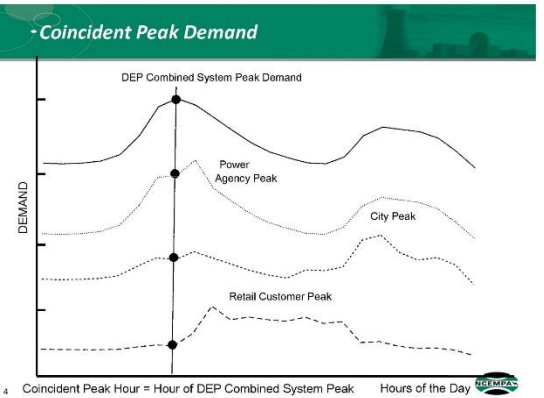


**Agenda**

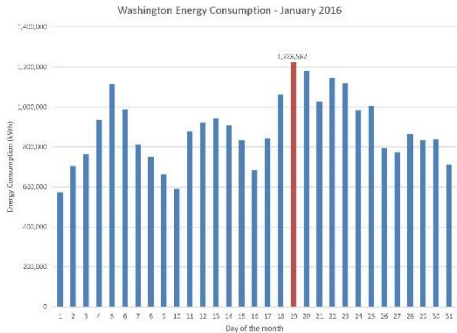
- ❖ Why is load management valuable?
- ❖ What are the programs available in Washington?
- ❖ What is the Future of LM?
- ❖ What is the NCEMPA's role?

**Why is load management valuable?**

- What is load management?
  - Demand side management (DSM)
  - Peak load reduction
  - Load curtailment
- Quite simply, load management is the process to reduce electrical loads to achieve monthly savings.

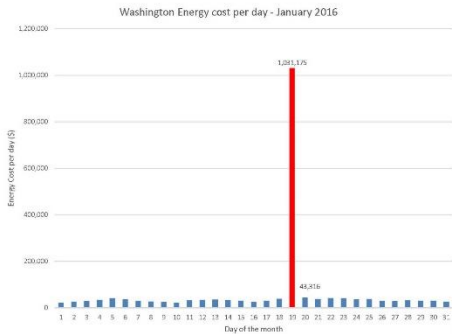


- Why is load management valuable?



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- Why is load management valuable?



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- Why is load management valuable?

▪ Wholesale Cost for Power

- Energy Cost (per kWh) 3.273 ¢
- Demand Cost (per kW) \$19.29
- Transmission cost (per kW) 6.000 ¢

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- Agenda

- ❖ Why is load management valuable?
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- ❖ What is the NCEMPA's role?

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- Who benefits from load management?

▪ Industrial and Commercial Customers

- Washington has a CP rate that incentivizes Industrial Customers to shed load during the CP hour.
- Most Industrial Customers utilize distributed generation to curtail CP load.
- Washington offers LM Riders for Customers who utilize City owned generators
- Some Industrial Customers use shift changes and their production schedule to maximize savings.

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- Washington Load Management Programs

- Generators
  - 13 Customers receive credits
  - Washington operates generators at City facilities
- Coincident Peak Rates
  - 1 Customer is on the IS-CDC rate
  - 15 Customers are on the GS-CDC rate
- Residential Load Management
  - Air Conditioning Control
  - Water Heater Control
  - Heat Strip and Base Board Heat Controls

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- Washington LM Summary – City Owned Generators

City Owned Generators			
Type	FY 15-16 Wholesale Savings	FY 15-16 Credits	Net Savings
LMR 2	\$769,517	\$231,877	\$537,639
LMR 4	\$8,295	\$1,612	\$6,683
Other COG	\$99,710	\$0	\$99,710
City of Washington Switch O&M			-\$302,652
City of Washington Total Net Savings			\$241,380

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- Washington Load Management Summary

- Washington's FY 2015/2016 net savings from load management programs is **\$1,435,013\***

\*Does not include savings for system voltage reduction.

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- Washington LM Summary – City Owned Generators

Coincident Peak Customers				
Type	FY-15-16 Wholesale Savings	FY15-16 Credits	O&M	Net Savings
Total CDC	\$581,555			\$581,555

City of Washington Total Net Savings: **\$581,554.92**

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- Washington LM Summary – City Owned Generators

Residential Load Management Program			
Type	FY 15-16 Wholesale Savings	FY 15-16 Credits	Net Savings
AC Control	\$295,162	-\$87,119	\$208,043
WH Control	\$460,362	-\$91,343	\$369,020
HS Control	\$146,743	-\$53,845	\$92,898
BB Control	\$57,295	-\$28,679	\$28,616
HP & WH Rebates	\$0	-\$14,575	-\$14,575
City of Washington Switch O&M			-\$171,924
City of Washington Total Net Savings			\$512,078

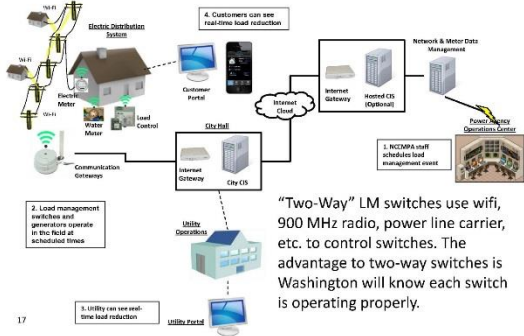
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Agenda

- ❖ Why is load management valuable?
- ❖ What are the programs available in Washington?
- ❖ What is the Future of LM?
- ❖ What is the NCEMPA's role?

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Future of Load Management Operations



"Two-Way" LM switches use wifi, 900 MHz radio, power line carrier, etc. to control switches. The advantage to two-way switches is Washington will know each switch is operating properly.



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Agenda

- ❖ Why is load management valuable?
- ❖ What are the programs available in Washington?
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- ❖ What is the NCEMPA's role?

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What is NCEMPA's role in load management?

- NCEMPA staff:
  - Forecast the daily and monthly peaks using historical peak load and weather data and monitoring and reviewing daily weather conditions
  - Develop LM strategy and options
  - Communicate recommendations
  - Control LM switches and generators
  - Assist Members with evaluating new technology options and implementing new programs.

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What is NCEMPA's role in load management?

- Communication
  - NCEMPA provides communication through pager, e-mail and text messaging
  - Each recipient should receive at least 2 messages per weekday
- NCEMPA Controls and Operation
  - The System Peak Hour is denoted by the full clock hour preceding the hour designation
  - Load Management generally 5 minutes before the hour and 10 minutes after
  - Generation is generally 5 – 10 before and 15 after
- \*The dynamic nature of weather, forecasts, load, and other conditions requires personnel conducting Load Management operations to remain flexible and responsive to current conditions.

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What is NCEMPA's role in load management?

- Winter Operations
  - Recommendation for generators is 6 - 8 am and LM controls is 7- 8 a.m.
  - Weekend recommendations are as needed and usually from 7 – 9 a.m.
- Summer Operations
  - Recommendations for generators are typically starting between noon - 2 p.m., & running till 6 or 7 p.m. LM usually starts 1 hour after generators start.
- Shoulder Months
  - NCEMPA recommendations for generators & LM may vary by season, month, and year but are typically 6 – 8 am or 7 – 9 pm

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Supporting Documentation – Residential LM

Savings to Washington from residential AC and WH LM switches

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Water Heater (kW)	0.9	0.9	0.8	0.7	0.3	0.3	0.3	0.3	0.3	0.7	0.8	0.9	7.2
Air Conditioner (kW)	0	0	0	0	0.5	0.8	0.9	0.9	0.8	0	0	0	3.9
AC & WH (kW)	0.9	0.9	0.8	0.7	0.8	1.1	1.2	1.2	1.1	0.7	0.8	0.9	11.1

Demand Cost (\$/kW) \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$243.81

Estimated Monthly Wholesale Power Cost Savings per Appliance Controlled

Water Heater (\$/unit)	\$18.29	\$18.29	\$16.25	\$14.22	\$6.10	\$6.10	\$6.10	\$6.10	\$6.10	\$14.22	\$16.25	\$18.29	\$146.29
Water Heater Units	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,147
Water Heater \$/ Month	\$57,545	\$57,545	\$51,151	\$44,757	\$19,182	\$19,182	\$19,182	\$19,182	\$19,182	\$44,757	\$51,151	\$57,545	\$460,362

Air Conditioner (\$/unit)	\$0.00	\$0.00	\$0.00	\$0.00	\$10.16	\$16.25	\$18.29	\$18.29	\$16.25	\$0.00	\$0.00	\$0.00	\$79.24
AC Units	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725	3,725
AC \$/ Month	\$0	\$0	\$0	\$0	\$37,841	\$60,546	\$68,114	\$68,114	\$60,546	\$0	\$0	\$0	\$295,162

Total LM \$/Month Save \$57,545 \$57,545 \$51,151 \$44,757 \$57,023 \$79,728 \$87,296 \$87,296 \$79,728 \$44,757 \$51,151 \$57,545 \$575,525

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Supporting Documentation – Residential LM

Savings to Washington from residential HS and BB LM switches

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Heat Strip Control (kW)	1.5	1.25	1	0	0	0	0	0	0	0	0	0	3.8
Base Board Heat (kW)	3	2.5	2	0	0	0	0	0	0	0	0	0	7.5
HS & BB (kW)	4.5	3.75	3	0	0	0	0	0	0	0	0	0	11.3

Demand Cost (\$/kW) \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$20.32 \$245.81

Estimated Monthly Wholesale Power Cost Savings per Appliance Controlled

Heat Strip (\$/unit)	\$30.48	\$25.40	\$20.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$76.19
Heat Strip Controls	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926
Heat Strip \$/ Month	\$58,697	\$48,914	\$39,132	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$146,743

Base Board (\$/unit)	\$60.95	\$50.79	\$40.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$152.38
Base Board Controls	376	376	376	376	376	376	376	376	376	376	376	376	376
Base Board \$/ Month	\$22,918	\$19,098	\$15,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$57,295

Total LM \$/Month Save \$81,615 \$68,013 \$54,410 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$204,038

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-Supporting Documentation – City Owned Gens

- Savings to Washington from City Owned Generator Load Reduction

Wholesale Savings from City Owned Generators

15/16 Totals	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
LM Rater 2												
*Wholesale Savings	769,517	91,955	86,574	81,114	85,069	61,554	32,542	69,637	70,042	54,861	43,132	36,940
LM Rater 4												
*Wholesale Savings	8,295	482	772	791	617	694	965	617	656	772	637	636
Other City Gen Savings	\$99,710	\$9,375	\$16,049	\$11,169	\$9,375	\$8,314	\$1,794	\$9,278	\$7,928	\$4,803	\$9,915	\$5,517

-Supporting Documentation – City LM Budget Cost

- Budget cost associated with load management

City Of Washington Expenditure Statement: 2015 - 2016 for Accounting Period 6/30/2016 ELECTRIC FUND				
Account #	Account Description	Approp Amount	Activity this Period	Expenditure YTD
Department				
35-90-8375-0200	SALARIES	\$65,007.00	\$64,958.19	\$64,958.19
35-90-8375-0201	SALARIES-OVERTIME	\$4,000.00	\$3,899.44	\$3,899.44
35-90-8375-0205	SALARIES-LONGEVITY	\$345.00	\$245.00	\$245.00
35-90-8375-0400	PROFESSIONAL SERVICES	\$10,600.00	\$0.00	\$0.00
35-90-8375-0500	FICA TAXES	\$4,992.00	\$4,782.08	\$4,782.08
35-90-8375-0600	GROUP INSURANCE	\$12,954.00	\$11,319.05	\$11,319.05
35-90-8375-0700	RETIREMENT CONTRIBUTIONS	\$4,652.00	\$4,652.20	\$4,652.20
35-90-8375-0701	401 CONTRIBUTIONS	\$446.00	\$439.20	\$439.20
35-90-8375-0703	EMPLOYER HSA CONTRIBUTIONS	\$1,240.00	\$1,210.40	\$1,210.40
35-90-8375-0705	EMPLOYER 457	\$574.00	\$558.40	\$558.40
35-90-8375-1201	MARKETING & PROMOTIONS	\$20,000.00	\$20,000.00	\$20,000.00
35-90-8375-1400	EMPLOYEE DEVELOPMENT	\$1,000.00	\$277.80	\$277.80
35-90-8375-1600	MAINTENANCE REPAIR/EQUIPMENT	\$188,000.00	\$153,627.65	\$153,627.65
35-90-8375-1700	MAINT/REPAIR VEHICLE	\$1,300.00	\$88.00	\$88.00
35-90-8375-1705	VEHICLE FUEL	\$1,000.00	\$824.44	\$824.44
35-90-8375-2600	EMPLOYEE ADVERTISEMENT	\$100.00	\$0.00	\$0.00
35-90-8375-3101	GENERATOR FUEL	\$300,000.00	\$81,504.37	\$81,504.37
35-90-8375-3300	DEPARTMENTAL SUPPLIES	\$500.00	\$223.69	\$223.69
35-90-8375-3600	UNIFORMS	\$1,340.00	\$1,028.95	\$1,028.95
35-90-8375-3601	SAFETY SHOES	\$300.00	\$160.00	\$160.00
35-90-8375-4500	CONTRACT SERVICES	\$124,500.00	\$124,320.00	\$124,320.00
35-90-8375-5600	MATERIALS	\$1,600.00	\$678.24	\$678.24
35-90-8375-5701	HEAT PUMP REBATES	\$15,000.00	\$14,575.00	\$14,575.00
Total Exp.	LOAD MANAGEMENT	\$757,650.00	\$489,151.02	\$489,151.02
Total Exp.	ELECTRIC FUND	\$757,650.00	\$489,151.02	\$489,151.02
Grand Total		\$757,650.00	\$489,151.02	\$489,151.02

Mr. Thigpen noted that if we miss peak hour then we lose all of the savings for that month. Councilmember Beeman inquired if slide #11 was net savings – does it reflect cost. Ed Pruden answered that the number is a true net savings. Councilmember Mercer expressed he felt there was a discrepancy in the operating cost numbers. Ed Pruden responded saying the City came in under budget for FY15-16 because we only used half the amount of fuel that was budgeted. Mr. Thigpen referred to slide # 26 that includes O&M but doesn’t include credits. Mr. Pruden noted these are true figures from billing and financial figures, not estimates. Councilmember Beeman asked Ed Pruden to present this information to the Electric Utilities Advisory Board at their next meeting. Mr. Pruden said it cost the City of Washington just under \$500,000 to operate the Load Management Program while it saves the City over \$1 million.

**BRIAN ALLIGOOD, BEAUFORT COUNTY MANAGER– EMS**

Beaufort County Manager, Brian Alligood advised City Council that there appears to be some confusion about the EMS proposal from the County. He stated he would now present directly to Council what he presented to City staff on February 17, 2016 so that he can answer any questions Council may have.

Mr. Alligood reviewed the following:

- *Polaris report*
- *Under NC General Statutes and NC Administrative code, counties are responsible for establishing an EMS system plan and ensuring that EMS services are provided. Don’t have to provide with County staff, can contract with existing agencies to do this. This is essentially what occurs in the County now. We have consistently said that it is best to allow existing agencies to continue to provide the services and the County to fill in the gaps as needed. Bath EMS unit and QRVs example.*
- *EMS funded currently with EMS service district taxes. Ranged from 1.3 cents to 5 cents. Cannot be levied in a municipality so some areas were not paying at all or paying more than others*
- *EMS proposal made to Board at February 3, 2016 planning retreat was to find a way to fund EMS on a countywide level, continue to contract with existing agencies, and find ways to drive down costs through economics of scale.*
  - *Proposal to fund EMS with County General Fund dollars.*
  - *Reduce EMS service district taxes to zero*
  - *Contract with existing agencies, including the City, to provide services*
    - *Revenues – billing, Medicaid cost reimbursement and City taxes*
    - *County would pay with County tax dollars the amount currently paid by City tax dollars.*
    - *Consolidate all billing in order to drive down the cost due to volume. County currently has rate of 6.5%. City currently has rate of 6.95%.*
    - *Agencies get their billing revenue back to encourage paperwork to be done correctly.*
  - *Contracting for services also allows the other volunteer agencies to take advantage of Medicaid cost reimbursement and other collection methods such as debt set off.*

- *Continue to evaluate costs to make sure most efficient service delivery method is being used. Belhaven EMS example.*
- *Challenges to work through*
  - *City policy not allowing City units to reposition outside the City in support of areas where resources have been depleted due to calls.*
  - *Fire/EMS combination at City. An EMS unit is dispatched to all structure fires per protocol. This is for City and County departments. However, in the City, both units go if actual fire and this leaves no EMS coverage in the City.*

Mr. Alligood continued by saying, it is not or never has been the County's intent to take over EMS – only to fill in the gap. The Polaris report said the County needs to provide coverage in areas where there is a gap. Discussion was held regarding QRV's in areas of the County in order to provide a paramedic level of care. Discussion regarding EMS funding in the County and EMS service districts – a tax for a specific district to raise funds to provide coverage for EMS care in those districts. Mr. Alligood said they can't impose service districts inside municipalities unless that town requests it – Chocowinity is only one that has requested it. Bath residents receive EMS services but don't pay a tax for it. Beaufort County would return all revenue back to agency.

Mayor Hodges said we have never had a complaint with Washington EMS and asked the following questions: Who would Robbie Rose answer to? Who decides how many employees EMS we have? Brian Alligood explained the short answer is the City runs Fire/Rescue/EMS – we've never said there's anything wrong with EMS in City. The County would contract with the City to perform the service. If employees needed to be added then Beaufort County would provide additional resources for the needed personnel. Robbie Rose and staff would answer to: City Council, EMS Oversight Committee, and Dr. Emilie Pendley, Beaufort County EMS Medical Director.

Councilmember Brooks said his job is to look out for our citizens. Our EMS system works fine – why change it. He is against the proposal and said the City should take care of the City and the County should take care of the County. Brian Alligood said he is not asking to take over City EMS but would contract with the City of Washington to provide those services- Beaufort County would pay the City to provide that service. Mayor Hodges suggested the County help those EMS organizations that need help and let the City continue like we are.

Councilmember Beeman discussed that our staff was being told by a county employee how to run our system. Councilmember Mercer noted that Mr. Alligood has been consistent with his message, but County staff has addressed our staff members telling our members what will happen and when. Mr. Alligood noted that he has addressed that issue and accepts fault with not making his presentation to Council earlier.

Councilmember Mercer stated he felt Beaufort County is making an effort to bring EMS up to date, but feels the process is moving too fast.

#### **CORRESPONDENCE AND SPECIAL REPORTS:**

##### **MEMO – SAVE THE POOL FUNDRAISER UPDATE** – (accepted as presented)

*BACKGROUND & FINDINGS: We have completed 5 fundraisers, including Summer Kickoff, Save the Pool Golf Tournament, Save the Pool Pizza Inn Fundraiser, World's Largest Swim Lesson and a car was hosted by Special Olympics Beaufort/Hyde Athletes. We are continuing to sell T-shirt and Tiles. We have currently raised \$21,223.85. The next fund raiser is scheduled for Sunday, August 21. The Aquatic Center will be hosting a "Back to School Swim and Ice Cream Party."*

Kristi Roberson explained that on September 3<sup>rd</sup> a yard sale will be held at the Moore Aquatic & Fitness Center (event rescheduled to Sept. 24 due to weather) and a Zaxby's fundraiser later in September.

##### **MEMO – UPDATE ON THE PROPOSED 15<sup>TH</sup> WIDENING AND ACCESS MANAGEMENT PROJECT**

*BACKGROUND & FINDINGS: Update on the Proposed 15th Street Widening and Access Management Project. On August 11, 2016 the North Carolina Department of Transportation held a public meeting to go over the proposed 15th Street Widening and Access Project in Washington. The identification number for the project has been identified as NCDOT STIP Project U-5860. The purpose of the project is to upgrade 15th Street from a multilane undivided road to a four lane, raise median divided road beginning west of US 17 Business (Carolina Avenue) to U.S. 264 (John Small Avenue). Median breaks will be provided for left turns as traffic volumes warrant. U turns will also be provided at multiple locations. The reason I (Bobby Roberson) am bringing this information to City Council is to establish a process for local business owners to bring their concerns to the city so we can develop a strategy that will lessen the impact on local businesses along the*

corridor and still maintain the safety concerns for all of our citizen. We have two (2) local business owners who would like to make express their concerns to City Council: Pat Griffin and Richard Gerard.

Richard Gerard came forward to express his concerns regarding the NCDOT proposal. Mr. Gerard said approximately 90-110 vehicles come into their business a day (Piston Ring & Machine). This will create a hardship on the four businesses in this area {Mower Pro, Crab Shack, Piston Ring & Machine, and Eastside Bait & Tackle}. He's asking council to look at this proposal closely and asked Council to express these concerns to NCDOT. The proposal will also cut-off some of the access to Pamlico Street where the Montessori school is located.

Councilmember Brooks agrees that the proposal from NCDOT doesn't need to be implemented because there is no trouble with the way the street is currently designed in the area Mr. Gerard is referring to.

Mayor Pro tem Finnerty asked what their reason for this design was. Richard Gerard answered that NCDOT said the design was for safety reasons.

Councilmember Pitt said there should be more local influence on transportation projects.

Pat Griffin came forward to discuss his concerns with the whole project noting there will be five locations for U-turns but the map presented by NCDOT only shows four. He continued by expressing concern with the traffic islands cutting off KFC, Boss Hog's, Pizza Inn, Pizza Hut, and one of the entrances into the Wal-Mart shopping center. The current design also prohibits left turns onto Washington St. We should complain and ask them to install a middle turn lane instead of the medians.

\*Recess 7:15pm -7:25pm

#### **MEMO – POTENTIAL GRANT APPLICATION FOR BROWNFIELD DEVELOPMENT**

**BACKGROUND & FINDINGS:** *Recently, city staff had an opportunity to see a presentation provided by Mid Atlantic Associates, Inc. concerning Brownfield Development. This firm has experience in applying for grant dollars from both State and Federal Government on Brownfield Development strategies, including all types of contamination at no cost or very little cost to the owners. I (Bobby Roberson) have asked this firm to make a 15 minute presentation to City Council. If you like the presentation, the city would have an opportunity to apply for the grant, at no cost. The EPA proposed guidelines are due out in mid to late September with proposals due in late November or early December. I believe this would be a great opportunity in helping the city and property owners, as well. If City Council would like for staff to apply for the grant with assistance from Mid Atlantic Associates, Inc. we would need a motion to instruct the City Manager to begin the process for applying for the EPA grants for Brownfield Development.*

Darin McClure, President & Principal Engineer {Mid-Atlantic Associates, Inc.} – explained these grants are very competitive - 1 in 3 wins. There is no out of pocket cost to the municipality until you receive funds and start implementing the projects. There is a three year time frame to use the grant and you can apply for up to \$400,000. Council discussed possible sites that could be used for the grant.







What is a Brownfield?

“Abandoned, idled, or underused property where redevelopment is hindered by real or perceived environmental contamination.”



Typical Brownfield Examples

- Light Industrial
- Heavy Industrial
- Manufacturing
- Textile Mills
- Junkyards
- Auto Salvage
- Dry Cleaners
- Machine Shops
- Auto Service Stations



What is Brownfields Redevelopment?

Taking a Brownfield site and putting it back into beneficial reuse



Challenges with Brownfields

Lender Concerns

- Liability for contamination/cleanup
- Impacts on portfolio liquidity
- Collateral value of the real estate

Purchaser Concerns

- Liability for contamination/cleanup
- Sunk due diligence costs if deal falls through



Typical Local Challenges

- Underutilized Properties
- Historical Uses Impeding Development
- Lack of Financial Resources
- Lack of Investment



EPA Brownfields Program

- Launched to assist communities in the cleanup and redevelopment of their brownfields sites.
- Provides grant money.
- Available to units of local government and non-profits.



EPA Brownfield Grant Opportunities

- Assessment Grants (Up to \$400,000)
- Cleanup Grants (Up to \$200,000 per site)
- Area-wide Planning Grants
- Revolving Loan Fund Grants
- Job Training Grants



Assessment Grant Components

- Community Outreach Events
- Identifying Brownfield Sites
- Phase I and Phase II Assessments
- Asbestos and LBP Testing
- Cleanup and Redevelopment Planning
- Economic Development Assistance
- Certain Permit and Program Fees
  - \* No match from the municipality



Phoenix Landfill, Havelock, NC

SOLUTIONS

- Planning effort showed City “what could be”
- Assessment showed minimal environmental impact
- Outreach convinced heirs no liability with property transfer
- Heirs deeded property to City for eventual redevelopment as a park
- Over \$340,000 invested in area, 100% funded through grants



... To There



Assessment/Cleanup Grant Timeline

- Application Guidelines – Aug./Sept. 2016
- Applications Due – Nov./Dec. 2016
- Awards – Spring 2017
- Grant Start – October 1, 2017

\*Timeline above typical each year





### EPA Brownfield Grants/Projects

➤ Cooleemee, NC	➤ New Bern, NC
➤ Durham, NC;	➤ Raleigh, NC
➤ Elkin, NC	➤ Randleman, NC
➤ Eastern Carolina Council	➤ Siler City, NC
➤ Greenville, SC	➤ Transylvania County, NC
➤ Havelock, NC	➤ Wayne County, NC
➤ High Shoals, NC	➤ Williamston, NC
➤ Kinston, NC	➤ Upper Coastal Plain COG;
➤ Lenoir, NC	➤ Union County, SC.



### Question & Answer

Darin McClure, P.E., RSM <a href="mailto:dmcclure@maaonline.com">dmcclure@maaonline.com</a> (919) 272-7913	
Jessica Graber <a href="mailto:jgraber@maaonline.com">jgraber@maaonline.com</a> (919) 896-2390	
Raleigh: (919) 250-9918	Charlotte: (980) 585-1271

By motion of Councilmember Mercer, seconded by Councilmember Brooks, Council authorized the City Manager to proceed with the Brownfield Development Opportunities with Mr. McClure - at no cost to the City.

### **MEMO – PROPOSED FUNDING AMOUNTS DEPARTMENT OF COMMERCE-DIVISION OF RURAL ECONOMIC DEVELOPMENT ALLOCATION - \$94,340**

*BACKGROUND & FINDINGS: The City of Washington has been awarded an amount of \$94,340 from the Department of Commerce, Division of Rural Economic Development. The City Council has indicated that the dollar amount should be spent on the "street scape" inside the Central Business District. The City Manager met with the following organization in order to develop an implementation plan for the dollar amounts; Arts on the Pamlico, Chamber of Commerce, TDA, and members of the city staff. The discussion focused on several proposals:*

1. The introduction of "art" into the Central Business District.
2. Additional funding for the "Façade Grant."
3. The introduction of "water" inside the CBD, i.e. "fountain"
4. Explore the capabilities of Wi-Fi
5. Improvement of the existing street planters
6. Improve the entrance onto Stewart Parkway
  - a. Underground Railroad Area-Civic Center fronting on West Main Street
  - b. Area beside Sloan Insurance, fronting on Stewart Parkway
  - c. "Crab Park" area adjacent to the former Havens Mill property

*The group is proposing that the following dollar amounts be established for funding:*

- Arts of the Pamlico - \$10,000
- Façade Grants - \$30,000
- Streetscape, park improvements, Possible Wi-Fi connection - \$54,340
- Total \$ 94,340

*All of the design aspects will be approved by City Council and the Historic Commission prior to construction.*

Councilmembers discussed potential uses for the \$94,340 grant, such as: golf cart for downtown maintenance worker, removing swooping curve at Main & Gladden, installation of sidewalk from Civic Center to Main/Gladden St., boardwalk improvements, Wi-Fi.

By motion of Mayor Pro tem Finnerty, seconded by Councilmember Brooks, Council accepted the allocation of funds (\$94,340) as presented by the City Manager (Arts of the Pamlico - \$10,000, Façade Grants - \$30,000, Streetscape, park improvements, Possible Wi-Fi connection - \$54,340= Total \$94,340). Motion carried 4-1 with Councilmember Mercer opposing.

### **REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES: NONE**

### **APPOINTMENTS:**

#### **APPOINTMENT – LIBRARY BOARD OF TRUSTEES**

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council appointed Steve Moler to the Library Board of Trustees to fill the un-expired term of Clyde F. Swanner, Jr., term to expire June 30, 2021.

### **OLD BUSINESS:**

**Item removed from agenda: APPROVE - CAPITAL PROJECT REALLOCATION**

### **APPROVE – GIS MAPPING PO'S**

Councilmember Mercer inquired if this job was bid out. Jeff Clark explained they tried to bid the project, but Booth & Associates are the only ones that have our records and were the only ones interested. \*Request continued to a later date.

**ADOPT – BUDGET ORDINANCE AMENDMENT 2015-2016 PROJECTS NOT COMPLETED**

*BACKGROUND AND FINDINGS: The 2<sup>nd</sup>/5<sup>th</sup> St. electric circuit move and storm water drainage project were not completed in FY 2016. \$334,986 was the unspent balance of electric construction projects as of June 30, 2016. Staff requests appropriation of funds necessary to complete these projects in FY 2017.*

Councilmember Mercer expressed concern with the request. Jeff Clark stated of the remaining unspent funds in capital outlay he needs \$15,000 to change out three poles inside the substation. Frankie Buck explained he plans to use the remaining funds for storm drainage improvements

By motion of Councilmember Beeman, seconded by Councilmember Brooks, Council adopted a Budget Ordinance Amendment to appropriate funds for projects that were budgeted in FY 2015-2016 and not completed

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED by the City Council of the City of Washington, North Carolina:**

Section 1. That the following accounts of the Electric Fund revenue budget be increased or decreased by the respective amounts indicated for projects budgeted but not completed in 2015-2016:

35-90-3991-9910	Fund Balance Appropriated	\$ 15,000
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Section 2. That the following accounts of the Electric Fund appropriations budget be increased or decreased by the respective amounts indicated for projects budgeted but not completed in 2015-2016:

35-90-8390-7400	Capital Outlay	\$ 15,000
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Section 3. That the following accounts of the Storm Water Fund revenue budget be increased by the respective amounts indicated for projects budgeted but not completed in 2015-2016:

34-90-3991-9910	Fund Balance Appropriated	\$ 92,640
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Section 4. That the following accounts of the Storm Water Fund appropriations budget be increased by the respective amounts indicated for projects budgeted but not completed in 2015-2016:

34-90-5710-7400	Capital Outlay	\$ 92,640
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Section 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon its adoption.

Adopted this the 22nd day of August, 2016.

**ATTEST:**

**s/Cynthia S. Bennett**  
**City Clerk**

**s/Mac Hodges**  
**Mayor**

**ADOPT – BUDGET ORDINANCE AMENDMENT FY 2016 PURCHASE ORDERS**

*BACKGROUND AND FINDINGS: At the close of fiscal year 2016 the City had the following amount of outstanding purchase orders by fund, issued for contracts and merchandise:*

*General Fund \$202,858  
Water Fund \$15,728  
Sewer Fund \$4,810  
Storm Water Fund \$17,695  
Electric Fund \$405,827  
Airport Fund \$3,200  
Cemetery Fund \$184  
Facade Fund \$6,000  
Vehicle Replacement Fund \$56,262  
Total \$712,564*

*Funding for these outstanding purchase orders is restricted in fund balance at June 30, 2016. Therefore, the funding needs to be appropriated in the current fiscal year for spending.*

By motion of Mayor Pro tem Finnerty, seconded by Councilmember Brooks, Council adopted a budget ordinance amendment in the amount of \$712,564 for purchase orders outstanding from fiscal year 2016 that are being brought forward into fiscal year 2017 for payment. Motion carried 4-1 with Councilmember Mercer opposing.

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AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON,  
N.C. FOR THE FISCAL YEAR 2016-2017

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

**Section1.** That the following amounts are hereby appropriated for spending in FY 15/16 in order to satisfy existing contracts, grant obligations, and purchase orders at the end of last fiscal year.

**Schedule A. General Fund**

Information Systems	2,820
Miscellaneous	4,195
Street Maintenance	44,988
Powell Bill	88,821
Economic Development	6,000
Planning/Zoning	14,700
Recreation Centers	220
Aquatic Center	9,309
Buildings & Ground Maintenance	<u>31,805</u>
Total	\$202,858

**Schedule B. Water Fund**

Water Administration	5,850
Water Treatment Plant	1,878
Water Construction	<u>8,000</u>
Total	\$15,728

**Schedule C. Sewer Fund**

Wastewater Construction	4,000
Sewer Lift Stations	810
Total	\$4,810

**Schedule D. Stormwater Management**

Stormwater Improvements	17,695
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**Schedule E. Electric Fund**

Power Line Maintenance	5,000
Power Line Construction	<u>400,827</u>
Total	\$405,827

**Schedule F. Washington Warren Airport**

Operations	\$3,200
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**Schedule G. Cemetery Fund**

Operations	\$184
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**Schedule H. Facade Grant Fund**

Grant	\$6,000
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**Schedule I. Vehicle Replacement Fund**

Vehicles	\$56,262
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**Section 2.** That the following revenues be increased in the respective amounts to meet the foregoing obligations:

General Fund Balance Appropriated	202,858
Water Fund Balance Appropriated	15,728
Sewer Fund Balance Appropriated	4,810
Storm Water Fund Balance Appropriated	17,695
Electric Fund Balance Appropriated	405,827



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Airport Fund Balance Appropriated	3,200
Cemetery Fund Balance Appropriated	184
Facade Grant Fund Balance Appropriated	6,000
Vehicle Replacement Fund Balance	<u>56,262</u>
Appropriated	
Total	\$712,564

**Section 3.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**Section 4.** This ordinance shall become effective upon its adoption.

Adopted this the 22nd day of August, 2016.

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/Mac Hodges  
Mayor

**NEW BUSINESS: NONE**

**ANY OTHER ITEMS FROM CITY MANAGER:**

**ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL:**

Councilmember Mercer complimented David Carraway on the revised PEG channel programming.

**CLOSED SESSION: NONE**

**ADJOURN**

By motion of Councilmember Pitt, seconded by Mayor Pro tem Finnerty, Council adjourned the meeting at 8:45 pm until Monday, September 12, 2016 at 5:30 pm in the Council Chambers.

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Cynthia S. Bennett, MMC  
City Clerk